

## Consolidated Profit and Loss Account

<b>For the three months ended 30 September 1998</b>	<b>Combined Actual \$m</b>	<b>Merck Adjustments \$m</b>	<b>Pro Forma Adjustments \$m</b>	<b>Pro Forma Combined \$m</b>
<b>Sales</b>	3,805	-	-	3,805
Cost of sales	(1,268)	-	-	(1,268)
Distribution costs	(88)	-	-	(88)
Research and development	(590)	-	-	(590)
Selling, general and administrative expenses	(1,223)	-	(12)	(1,235)
Other operating income	29	-	-	29
<b>Operating profit</b>	665	-	(12)	653
<b>Operating profit before exceptional items</b>	674	-	(12)	662
Exceptional items included in operating profit	(9)	-	-	(9)
Share of operating profit of joint ventures and associates	(5)	-	-	(5)
Profits less losses on sale or closure of operations	-	-	-	-
Profits on sale of fixed assets	-	-	-	-
Net interest	3	-	(21)	(18)
<b>Profit on ordinary activities before taxation</b>	663	-	(33)	630
<b>Profit before exceptional items</b>	672	-	(33)	639
Exceptional items	(9)	-	-	(9)
Taxation	(190)	-	6	(184)
<b>Profit on ordinary activities after taxation</b>	473	-	(27)	446
Attributable to minorities	(2)	-	-	(2)
<b>Net profit for the period</b>	471	-	(27)	444
<b>Earnings per \$0.25 Ordinary Share before exceptional items</b>	\$0.27			\$0.26
<b>Earnings per \$0.25 Ordinary Share (basic)</b>	\$0.26			\$0.25
<b>Earnings per \$0.25 Ordinary Share (diluted)</b>	\$0.26			\$0.25
Weighted average number of Ordinary Shares in issue (millions)	1,779			1,779

## Consolidated Profit and Loss Account

For the nine months ended 30 September 1998	Combined Actual \$m	Merck Adjustments \$m	Pro Forma Adjustments \$m	Pro Forma Combined \$m
<b>Sales</b>	10,858	1,715	-	12,573
Cost of sales	(3,548)	(651)	-	(4,199)
Distribution costs	(279)	(8)	-	(287)
Research and development	(1,744)	(78)	-	(1,822)
Selling, general and administrative expenses	(3,205)	(474)	(36)	(3,715)
Other operating income	119	-	-	119
<b>Operating profit</b>	2,201	504	(36)	2,669
<b>Operating profit before exceptional items</b>	2,210	504	(36)	2,678
Exceptional items included in operating profit	(9)	-	-	(9)
Share of operating profit of joint ventures and associates	556	(536)	-	20
Profits less losses on sale or closure of operations	(46)	-	-	(46)
Profits on sale of fixed assets	-	-	-	-
Net interest	41	(23)	(63)	(45)
<b>Profit on ordinary activities before taxation</b>	2,752	(55)	(99)	2,598
<b>Profit before exceptional items</b>	2,807	(55)	(99)	2,653
Exceptional items	(55)	-	-	(55)
Taxation	(842)	23	18	(801)
<b>Profit on ordinary activities after taxation</b>	1,910	(32)	(81)	1,797
Attributable to minorities	1	-	-	1
<b>Net profit for the period</b>	1,911	(32)	(81)	1,798
<b>Earnings per \$0.25 Ordinary Share before exceptional items</b>	\$1.10			\$1.04
<b>Earnings per \$0.25 Ordinary Share (basic)</b>	\$1.07			\$1.01
<b>Earnings per \$0.25 Ordinary Share (diluted)</b>	\$1.07			\$1.01
Weighted average number of Ordinary Shares in issue (millions)	1,778			1,778

## 1998 3rd QUARTER SEGMENT ANALYSIS

	Combined Actual		Pro Forma Combined	
	3rd	Year	3rd	Year
	Quarter	to Date	Quarter	to Date
	\$m	\$m	\$m	\$m
<b>Sales by class of business</b>				
Healthcare	2,916	7,561	2,916	9,276
Pharmaceuticals	2,865	7,408	2,865	9,123
Salick Health Care	51	153	51	153
Agrochemicals	565	2,258	565	2,258
Discontinued/discontinuing businesses	302	974	302	974
Inter-business/other trading (includes Marlow Foods)	22	65	22	65
	<u>3,805</u>	<u>10,858</u>	<u>3,805</u>	<u>12,573</u>
<b>Operating profit/(loss) before exceptional items</b>				
Healthcare	628	1,758	616	2,226
Pharmaceuticals	631	1,764	619	2,232
Salick Health Care	(3)	(6)	(3)	(6)
Agrochemicals	28	364	28	364
Discontinued/discontinuing businesses	28	106	28	106
Other trading (includes Marlow Foods)	(10)	(18)	(10)	(18)
	<u>674</u>	<u>2,210</u>	<u>662</u>	<u>2,678</u>
<b>Operating profit/(loss) before exceptional items as a percentage of sales</b>				
	%	%	%	%
Healthcare	21.5	23.3	21.1	24.0
Pharmaceuticals	22.0	23.8	21.6	24.5
Salick Health Care	(5.9)	(3.9)	(5.9)	(3.9)
Agrochemicals	5.0	16.1	5.0	16.1
Discontinued/discontinuing businesses	9.3	10.9	9.3	10.9
Total	<u>17.7</u>	<u>20.4</u>	<u>17.4</u>	<u>21.3</u>

## 1998 3rd QUARTER TERRITORIAL ANALYSIS

	Combined Actual		Pro Forma Combined	
	3rd	Year	3rd	Year
	Quarter	to Date	Quarter	to Date
	\$m	\$m	\$m	\$m
<b>Pharmaceuticals</b>				
US	1,213	2,453	1,213	4,168
Japan	126	387	126	387
France	169	503	169	503
Germany	212	629	212	629
Italy	122	377	122	377
Sweden	78	256	78	256
UK	204	570	204	570
Rest of World	741	2,233	741	2,233
Total Pharmaceuticals	<u>2,865</u>	<u>7,408</u>	<u>2,865</u>	<u>9,123</u>

## 1998 3rd QUARTER PRODUCT SALES DATA

	Combined Actual		Pro Forma Combined	
	3rd Quarter \$m	Year to Date \$m	3rd Quarter \$m	Year to Date \$m
<b>Pharmaceuticals</b>				
Gastrointestinal:				
Losec	965	1,799	965	3,433
Others	12	33	12	33
<b>Total Gastrointestinal</b>	<b>977</b>	<b>1,832</b>	<b>977</b>	<b>3,466</b>
Cardiovascular:				
Zestril	268	779	268	779
Tenormin	116	361	116	361
Seloken	123	328	123	328
Plendil	73	195	73	268
Imdur	29	84	29	84
Ramace	16	47	16	47
Atacand	12	24	12	24
Others	85	246	85	254
<b>Total Cardiovascular</b>	<b>722</b>	<b>2,064</b>	<b>722</b>	<b>2,145</b>
Respiratory:				
Pulmicort	156	494	156	494
Accolate	50	124	50	124
Rhinocort	39	119	39	119
Bricanyl	34	112	34	112
Others	23	69	23	69
<b>Total Respiratory</b>	<b>302</b>	<b>918</b>	<b>302</b>	<b>918</b>
Oncology:				
Zoladex	157	458	157	458
Nolvadex	126	390	126	390
Casodex	55	171	55	171
Arimidex	28	86	28	86
Others	4	12	4	12
<b>Total Oncology</b>	<b>370</b>	<b>1,117</b>	<b>370</b>	<b>1,117</b>
Specialist/Hospital:				
Diprivan	134	457	134	457
Xylocaine	58	174	58	174
Marcaine	19	59	19	59
Zomig	30	62	30	62
Seroquel	25	44	25	44
Merrem	31	96	31	96
Other Pain Control & CNS	65	182	65	182
Other Products	108	331	108	331
Astra Tech	24	72	24	72
<b>Total Specialist/Hospital</b>	<b>494</b>	<b>1,477</b>	<b>494</b>	<b>1,477</b>
<b>Total Pharmaceuticals</b>	<b>2,865</b>	<b>7,408</b>	<b>2,865</b>	<b>9,123</b>